

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the matter of)	
Beehive Telephone Company, Inc.)	
Beehive Telephone, Inc., Nevada)	
Transmittal No. 11)	CC Docket No. 98-108
Tariff F.C.C. No. 1)	

ORDER TERMINATING ACCOUNTING ORDER

Adopted: May 24, 2002

Released: May 24, 2002

By the Chief, Pricing Policy Division:

1. On June 16, 1998, Beehive Telephone Company, Inc. and Beehive Telephone, Inc., Nevada (Beehive) filed Transmittal No. 11 proposing to revise their FCC Tariff No. 1 to establish rates for tandem switched transport facility, tandem switched transport termination, and transport interconnection (TIC). On June 30, 1998, the Bureau released the *Beehive Suspension Order*,¹ rejecting Beehive's proposed local switching rates and suspending that portion of the tariff that proposed tandem switched transport rates pursuant to the *Access Charge Reform First Report and Order*.²

2. On December 1, 1998, the Commission released the *Transmittal No. 11 Investigation Order*,³ concluding its investigation. In that order, the Commission found that Beehive failed to meet its burden of proof under section 204(a)(1) of the Communications Act of 1934, as amended,⁴ to justify its proposed tandem switched transport facility, tandem switched transport termination, and transport interconnection rates. It further found that it was unable to rely on supporting information submitted by Beehive for the purpose of prescribing rates. The Commission therefore prescribed rates for these services based on NECA's rates, and directed Beehive to refund to its customers, with interest, the difference between NECA's rates and the rates filed by Beehive in June 1998.

¹ *Beehive Telephone Company, Inc. and Beehive Telephone, Inc. Nevada*, CC Docket No. 98-108, Order, 13 FCC Rcd 1264 (Common Carrier Bureau 1998).

² See *Access Charge Reform*, CC Docket No. 96-262, First Report and Order, 12 FCC Rcd 15982 (1997) (*Access Charge Reform First Report and Order*), *aff'd*, *Southwestern Bell Telephone Company v. FCC*, 153 F.3d 523 (8th Cir. 1998).

³ *Beehive Telephone Co., Inc., Beehive Telephone Inc. Nevada, Tariff F.C.C. No. 1, Transmittal No. 11*, CC Docket No. 98-108, Memorandum Opinion and Order, 14 FCC Rcd 1224 (1998).

⁴ 47 U.S.C. § 204(a)(1).

3. On March 31, 1999, the Commission released a *Reconsideration Order*⁵ denying in its entirety a Beehive Petition for Reconsideration of the December 1, 1998 order. The Commission did not, however, resolve an argument raised by Beehive for the first time in its Petition for Reconsideration that the rates set by the Commission in successive investigations and the refund obligation set pursuant to Transmittal No. 11 jeopardized the financial integrity of the Beehive entities.

4. On April 29, 1999, the Commission released, *sua sponte*, a *Further Reconsideration Order*⁶ that allowed Beehive to charge the rates it proposed in its Transmittal No. 11. At that time, the Commission required that the accounting order it imposed upon setting Transmittal No. 11 for investigation would remain in effect. On May 12, 1999, Beehive filed the appropriate tariff revisions in compliance with the April 29, 1999, order.⁷ The rates were allowed to go into effect on one day's notice.

5. The rates contained in Beehive's Transmittal No. 18 remained in effect through June 30, 1999,⁸ after which time Beehive's 1999 biannual access filing became effective. Since the rates subject to the accounting order are no longer in effect, there is no need to retain the accounting order. Beehive is directed, however, to retain the accounting records it generated while the accounting order was in effect.

6. Accordingly, **IT IS ORDERED**, pursuant to sections 4(i), 201(b), 204(a), and 205 of the Communications Act of 1934, as amended, 47 U.S.C. § § 4(i), 201(b), 204(a), and 205, that the accounting order imposed in CC Docket No. 98-108 **IS TERMINATED**.

7. **IT IS FURTHER ORDERED** that Beehive retain the accounting records as specified in paragraph 5 herein.

FEDERAL COMMUNICATIONS COMMISSION

Tamara L. Preiss
Chief, Pricing Policy Division

⁵ *Beehive Telephone Co., Inc., Beehive Telephone Inc. Nevada, Tariff F.C.C. No. 1, Transmittal No. 11*, CC Docket No. 98-108, Order on Reconsideration, 14 FCC Rcd 5456 (1999).

⁶ *Id.*, Further Reconsideration Order, 14 FCC Rcd 8077 (1999).

⁷ *Beehive Telephone Co., Inc., Beehive Telephone Inc. Nevada, Tariff F.C.C. No. 1, Transmittal No. 18* (May 12, 1999).

⁸ *See Beehive Telephone Co., Inc., Beehive Telephone Inc. Nevada, Tariff F.C.C. No. 1, Transmittal No. 19* (June 16, 1999).

